



## Take advantage of the **Preferred Rate** Program

The Preferred Rate Program gives eligible homebuyers incredible financial incentives that put homeownership within reach by giving more buying power and making it easier for families to make the move.



### DISCOUNTED INTEREST RATE

Interest Rate reduction applies  
to standard Maryland Mortgage  
Program loans



### MARYLAND HOMECREDIT

\$450.00 CDA Fee Waived  
(LENDER FEES MAY STILL APPLY)



SAVE  
UP TO **\$150** PER  
MO\*

### LOWER PMI\* EXPENSES

FOR MORE INFORMATION

**[mmp.maryland.gov](http://mmp.maryland.gov)**

SELECT ANNOUNCEMENTS AND PROMOTIONS

\* A Maryland Preferred Rate Program loan offers savings close to \$150 per month in private mortgage insurance premiums and loan-level price adjustment fees compared with a standard conventional loan available in the private market.



Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor



Kenneth C. Holt, Secretary  
Ellington Churchill, Jr., Deputy Secretary





# Preferred Rate Program

## PURPOSE

To offer Maryland homebuyers another competitive interest rate product and still benefit from the opportunities provided by the Maryland Mortgage Program and Maryland HomeCredit.

## DATE

The program started on 8/03/15

## DOWN PAYMENT & CLOSING COST ASSISTANCE

Not Available

## PARTNER MATCH PROGRAM

Not Available

## INTEREST RATE

The interest rates for this program are applicable to conventional and government (FHA, VA, USDA) loans. The interest rates will be at a discount from the regular MMP interest rates and will be announced daily in the Interest Rate Notification published on the MMP website. The interest rate reduction cannot be used in conjunction with the Maryland Homefront Program or CDA Refinance Programs.

## MARYLAND HOMECREDIT

- Maryland HomeCredit fees for CDA waived. (Lender fees up to \$350.00 may apply)
  - A borrower can elect an MMP mortgage without an MCC (without penalty)
- For details about eligibility for the Maryland HomeCredit, visit: [mmp.maryland.gov/MDHomeCredit](http://mmp.maryland.gov/MDHomeCredit)

## ELIGIBLE 6CFFCK 9FG

The program is open to eligible MMP homebuyers. Eligible borrowers must qualify for an MMP loan, i.e., income limitations, credit score and purchase price limits.

In order to ensure consistency for all MMP loans, the MMP Preferred Rate Program requires homebuyers to take a Homebuyer Education class before they close the MMP loan. This education class can be any class approved and provided by HUD, Private Mortgage Insurers, Fannie Mae or Freddie Mac, including an online class:

[mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx](http://mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx)

ONLINE ONLY: [www.mgic.com/lender-services/homebuyer-education.html](http://www.mgic.com/lender-services/homebuyer-education.html)

If the borrower is receiving down payment/closing cost assistance from a local jurisdiction, non-profit, etc., the homebuyer education requirements of that entity will apply.

This requirement applies to MMP Preferred Rate Program loan reservations reserved in all jurisdictions on or after August 3, 2015.

Any overlays required by FHA, Private Mortgage Insurers and US Bank apply. If, however, the borrower is receiving down payment/closing cost assistance from a local jurisdiction, non-profit, etc., the Homebuyer Education requirements of that entity will apply.

## FIRST-TIME HOMEBUYER REQUIREMENT

While MMP loans generally are limited to First-Time homebuyers, the requirement is waived if:

- Borrower is purchasing in a targeted area and sold their current home prior to closing on the new property; (for more information on targeted areas: [mmp.maryland.gov/Pages/Targeted-Areas.aspx](http://mmp.maryland.gov/Pages/Targeted-Areas.aspx))
- It has been more than three years since borrower has owned a principal residence; or
- Borrower is an honorably discharged veteran who has not previously used the first-time homebuyer exemption. This is in accordance with the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended. A DD-214 form must be submitted to document veteran status, and a Veteran First Time Homebuyer Exemption form (Attachment V) must be completed.

**Note: This program is not available for refinanced loans.** *Disclaimer: The terms and conditions are subject to change until a borrower qualifies for the loan and locks in the interest rate. A borrower should contact CDA for further information concerning a loan and applying for a loan (see [www.mmp.maryland.gov](http://www.mmp.maryland.gov)). In connection with the Maryland Mortgage Program (MMP), the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower about the actual benefit an MMP loan might provide to a specific homeowner. Each homeowner's situation is different, and homeowners should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.*

FOR MORE INFORMATION [MMP.MARYLAND.GOV](http://MMP.MARYLAND.GOV) SELECT ANNOUNCEMENTS AND PROMOTIONS



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